



# Fleet Management Department

## **FY2022 Budget Workshop Presentation**

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Director, FMD

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# Fleet Management Department

<b>MISSION:</b>	To provide the City of Houston with best value, fleet management services.
<b>VISION:</b>	To be recognized as the best managed fleet in the country.
<b>STAKEHOLDERS:</b>	<ul style="list-style-type: none"><li>• Citizens of Houston</li><li>• City Council</li><li>• Mayor's Office</li><li>• City Departments</li><li>• Fleet Management Employees</li><li>• City Contractors</li></ul>
<b>OBJECTIVES:</b>	<ul style="list-style-type: none"><li>• Fleet Effectiveness <i>(Fleet composition and vehicle selection right for the job)</i></li><li>• Fleet Availability <i>(Vehicles ready when needed)</i></li><li>• Fleet Reliability <i>(Vehicles perform without issue)</i></li><li>• Fleet Efficiency <i>(Cost efficient vehicle lifecycles for best value)</i></li></ul>

# Fleet Management Department



## Total Vehicles & Equipment Serviced: 13,728

Dept	Qty.	Dept.	Qty.	Dept.	Qty.
HPD	4,114	HPW	4,073	HFD	1,298
PRD	1,137	HAS	1,129	SWD	783
FMD	372	HHD	251	GSD	202
ARA	122	DON	111	HCD	29
MYR	27	HITS	26	HPL	22
HEC	15	HR	10	PLN	4
MCD	3				





# Fleet Management Core Functions

Code of Ordinances  
ARTICLE XVII Fleet Management

**Fleet Planning & Capital Programming**

Sec. 2-603(1)

**Vehicle Procurement, Acquisition, On-Boarding, Assignment**

Sec. 2-603(1)(2)

**Fuel Management**

Sec. 2-603(6)

**Parts Management**

Sec. 2-603(4)

**Contracts Management**

Sec. 2-603(4)

**Fleet/Maintenance Performance Tracking and Reporting**

Sec. 2-603(4)

**Fleet Maintenance**

Sec. 2-603(4)

**Vehicle Disposal**

Sec. 2-603(7)

**Fleetshare (Vehicle Pool) Management**

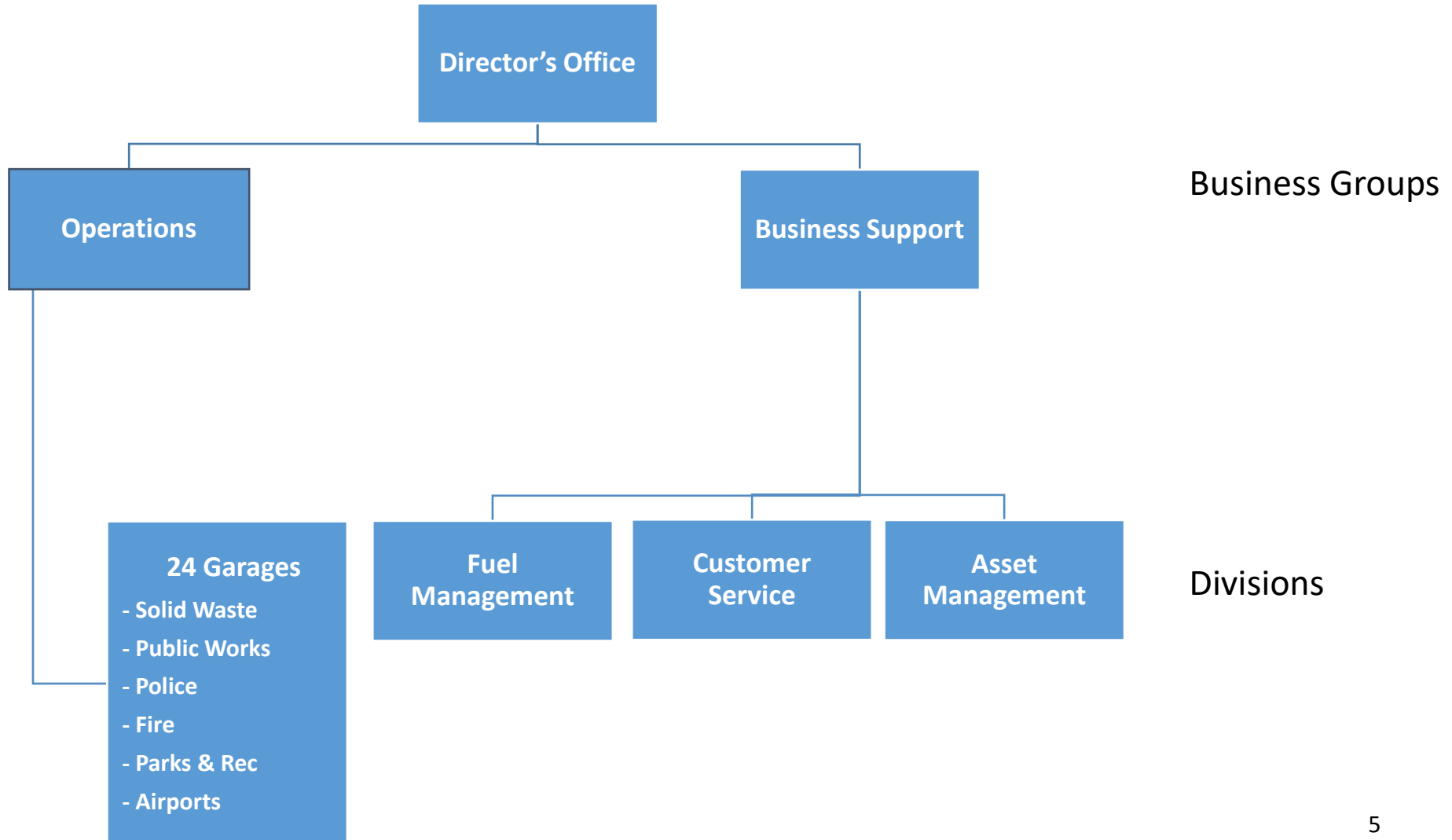
Sec. 2-603(3)

**Personnel Management**

Sec. 2-603(3)



# Fleet Management Organization



# Functional Organization Chart



**Revolving Fund 1005  
FLEET MANAGEMENT  
FY2022 Projected Budget \$90,397,210  
FTEs: 384.7**

Director's Office	Operations	Fuel Management	Customer Service	Asset Management
\$5,069,207 FTEs: 3.0	\$56,605,176 FTEs: 306.1	\$21,661,663 FTEs: 11.0	\$5,714,345 FTEs: 56.1	\$1,346,819 FTEs: 8.5
Department strategic planning, personnel administration, communication, resiliency and sustainability.	Equipment maintenance and repair of all City rolling stock inclusive of services outsourced to third party vendors.	Administer citywide fuel program and fuel site maintenance.	Management of parts supply contracts, stocking and issuance of automotive parts. Management of City's motor-pool system.	Licensing, titling, acquisition, retirement/reallocation and records management for all City rolling stock. Performance Tracking and Reporting.

# Fleet Management Department

## *FY2022 Initiatives*

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- ✕ Strategic and Information Based Asset Management
- ✕ Fleet Standardization
- ✕ Leverage City of Houston Fleet Buying Power
- ✕ Fleet Electrification
- ✕ Quality Assurance Program
- ✕ Internship Program for High School Students
- ✕ Enhanced Inventory Control Processes
- ✕ Expand Fleetshare
- ✕ Improve Customer Service





# Revenues & Expenditures (*\$ in thousands*)

## By Funds

Category	FY20 Actual	FY21 Budget	FY21 Estimates	FY22 Proposed	Variance FY22 Prop/FY21 Budget	% Change
Revolving Fund	\$83,508	\$92,439	\$87,673	\$90,397	(\$2,042)	(3.1%)

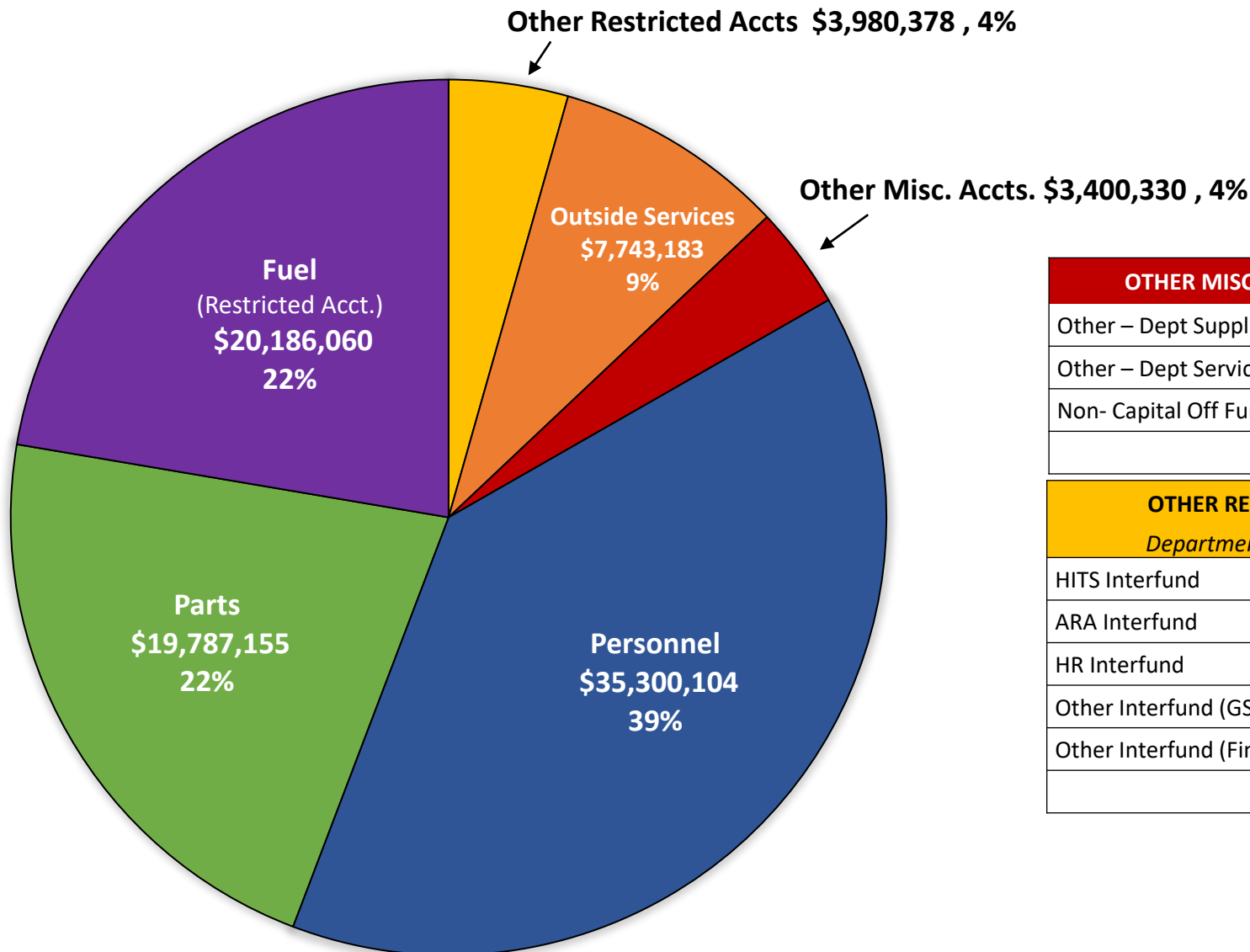
## By Category

Category	FY20 Actual	FY21 Budget	FY21 Estimates	FY22 Proposed	Variance FY22 Prop/FY21 Budget	% Change
Personnel	\$31,916	\$35,214	\$33,879	\$35,300	\$86	0.2%
Supplies	\$20,304	\$21,605	\$22,089	\$21,063	(\$542)	-2.5%
Restricted* Accounts	\$21,712	\$25,447	\$21,948	\$24,166	(\$1,281)	-5.0%
Services (contracts)	\$9,576	\$10,173	\$9,757	\$9,868	(\$305)	-3.0%
Total	\$83,508	\$92,439	\$87,673	\$90,397	(\$2,042)	-2.2%



# Fleet Management Department

## FY2022 Projected Budget: \$90,397,210



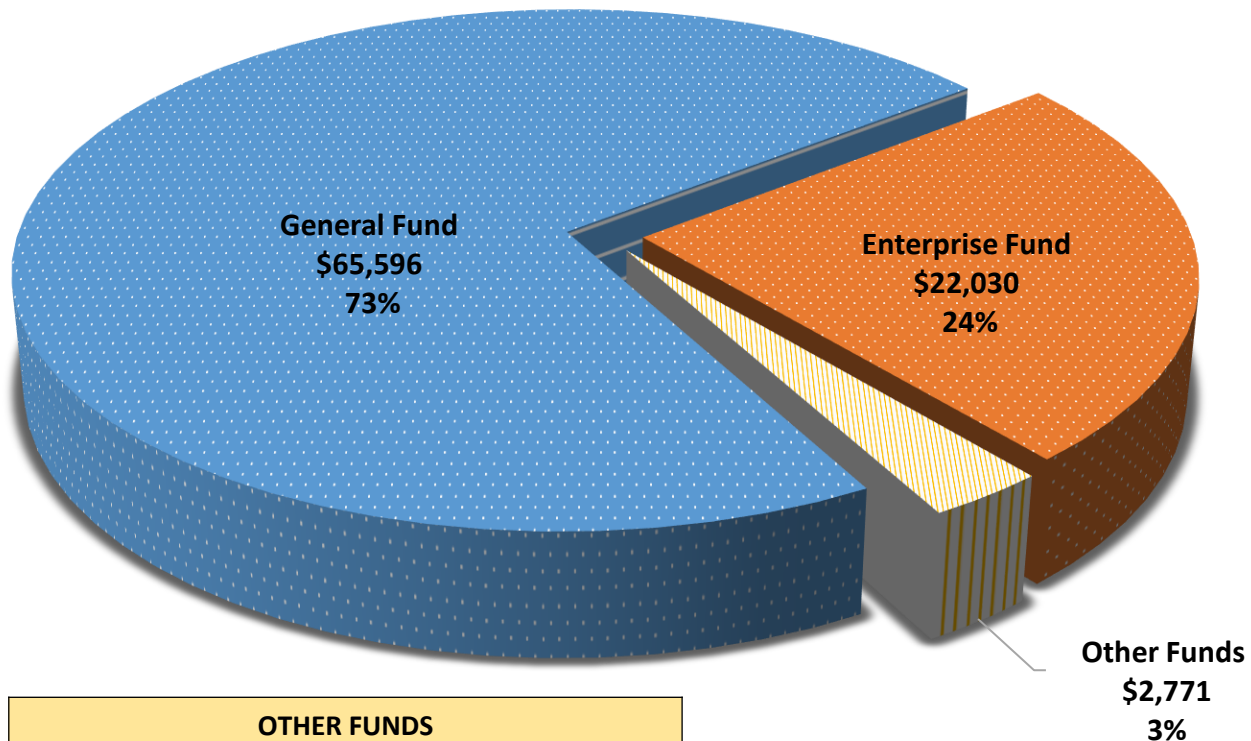
OTHER MISCELLANEOUS ACCOUNTS	
Other – Dept Supplies	\$ 1,275,804
Other – Dept Services	\$ 2,099,526
Non- Capital Off Furniture	\$ 25,000
<b>Total:</b>	<b>\$ 3,400,330</b>

OTHER RESTRICTED ACCOUNTS	
Department	FY2022
HITS Interfund	\$ 1,256,294
ARA Interfund	\$ 154,575
HR Interfund	\$ 576,009
Other Interfund (GSD)	\$ 314,268
Other Interfund (Finance)	\$ 1,679,232
<b>Total:</b>	<b>\$ 3,980,378</b>

# FY2022 FMD Revenue Sources (\$ in thousands)



## FY2022 FMD REVENUE SOURCES



OTHER FUNDS	
Special Revenue Funds	\$ 2,241,154
Revolving Funds	\$ 423,881
Grant funds - Governmental	\$ 105,427
Total:	\$ 2,770,462

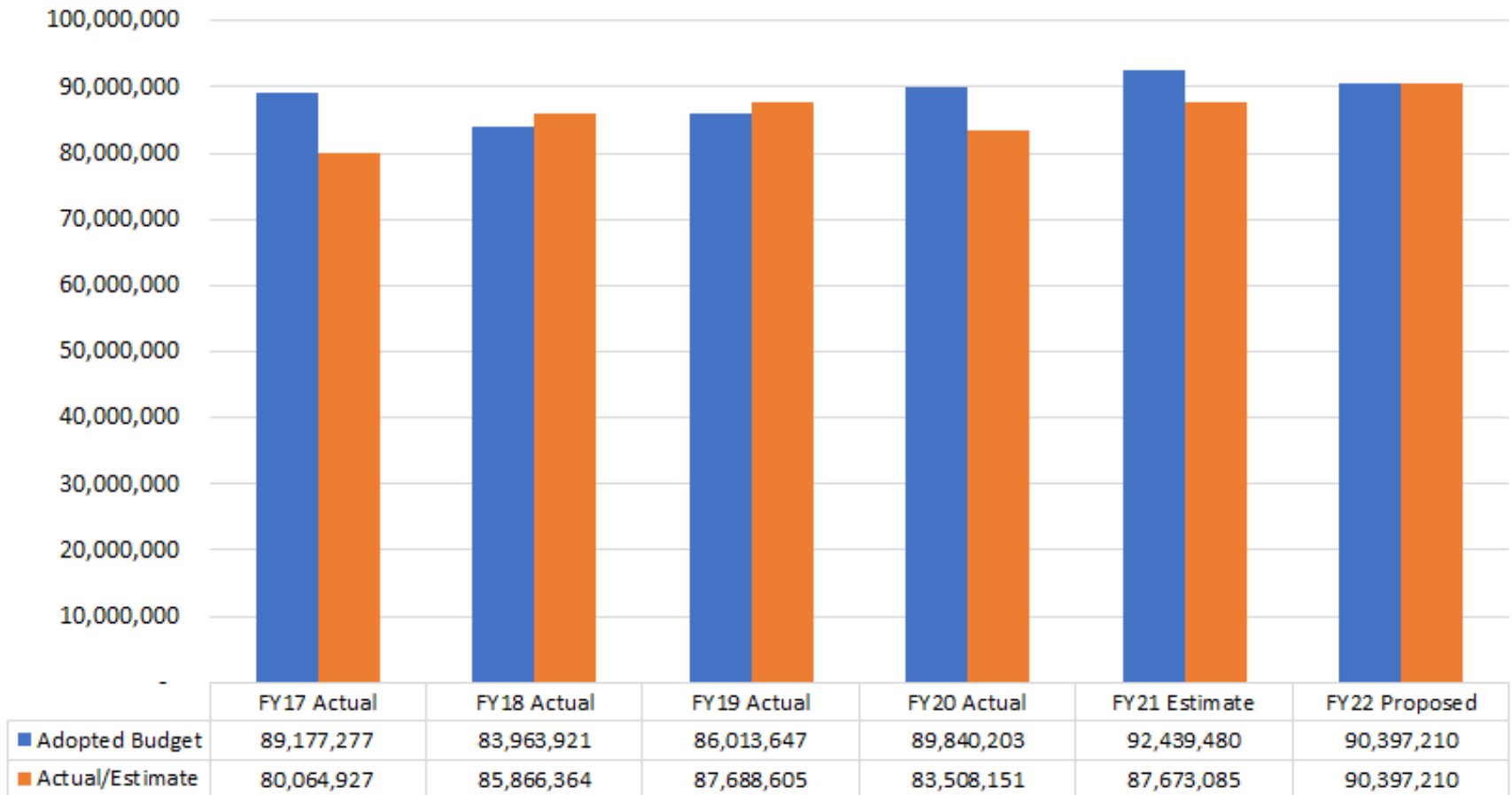
# FY2022 Budget Expenditures Net Change (in thousands)



\$ in Thousands		
FY2022 Budget Expenditures Net Change to FY2021 Current Budget		
<b>FY2021 Current Budget</b>		<b>Notes</b>
Operating Budget	\$ 66,993	
Restricted Budget	\$ 25,447	1
<b>FY2021 Current Budget</b>	<b>\$ 92,439</b>	
Explanation of FY2021 Incremental Increase/(Decrease)		
<b>Operating Budget Adjustments</b>		
Budget reduction initiatives	(219)	
Personnel budget utilization	-	
<b>Subtotal Operating Budget Adjustments</b>	<b>\$ (219)</b>	
<b>% Change from FY21 Operating Budget</b>	<b>(0.3%)</b>	
<b>Contractual or Mandated Adjustments:</b>		
Health Benefits Active Civilian	\$ (96)	
Municipal Pension	\$ 206	
Fuel	\$ (2,033)	2
Other Restricted Accounts	\$ 753	
Parts Supply	\$ (820)	3
Outsourcing vehicle services	\$ 347	4
Program Adjustments	\$ (180)	5
<b>Subtotal Contractual/Mandated Increases</b>	<b>\$ (1,823)</b>	
<b>FY2022 Proposed Budget</b>		
Operating and Contractual Adjustments	\$ (2,042)	
<b>FY2022 Proposed Budget</b>	<b>\$ 90,397</b>	
<b>% Change from FY21 Current Budget</b>	<b>(2.2%)</b>	
<b>Notes:</b> 1. Restricted Budget includes HR services, fuel, electricity, IT accounts, etc. 2. Fuel based on US Energy Information Administration forecast 3. Driven by influx of newer vehicles and expected draw down of parts inventory 4. Specialized vehicles and overflow of repairs are outsourced 5. Various program adjustments		



# Budget History





# Questions



# Appendix



# Restricted Account Details

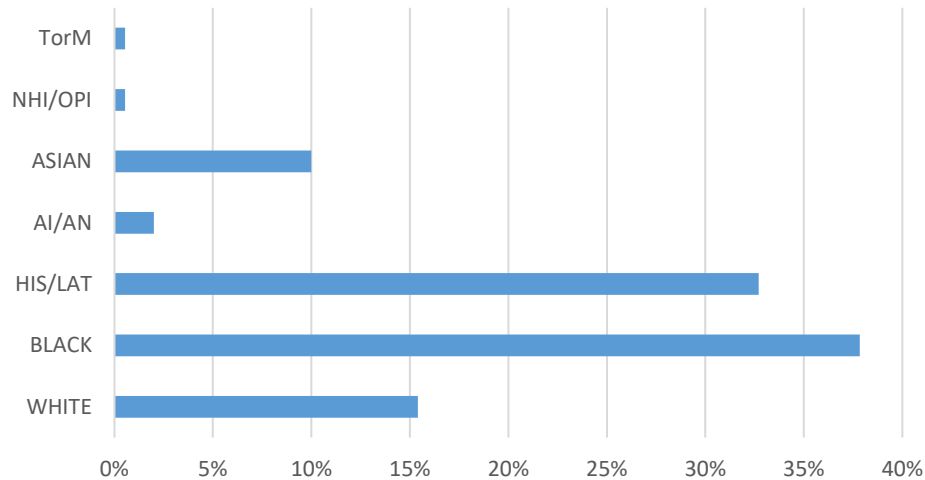
GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.



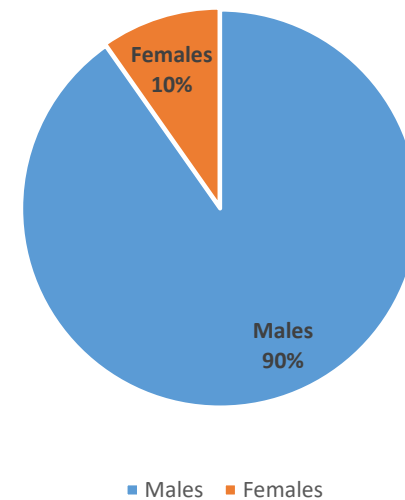


# Ethnicity and Gender

*FMD Ethnicity*



*FMD Gender*



Race	
WHITE	15%
BLACK	38%
HIS/LAT	33%
AI/AN	2%
ASIAN	10%
NHI/OPI	1%
TorM	1%

*HIS/LAT - Hispanic/Latino*

*AI/AN - American Indian or Alaskan Native*

*NH/OPI - Native Hawaiian or Other Pacific Islander*

*TorM - Two or More Races*



# Resilience and Climate Action

High-priority Initiatives or Projects	Resilient Houston Goals/Target/Actions	Climate Action Plan Goal/Target/Action
Internship program for high school students enrolled in auto mechanics studies (10 students).	2/2/5.4; 2/2/7.1	2/E2.3/2
Purchase of electric vehicle charging stations for City vehicles.	6/10/16; 8/10/26; 10/10/31.1; 10/10/31.2; 10/10/31.4; 10/10/31.5	1/T1.1/1; 1/T1.1/3; 1/T1.1/4; 1/T1.2/2
Implementation of electric refuse truck pilot program.	6/10/16; 8/10/26; 10/10/31.1; 10/10/31.2; 10/10/31.4; 10/10/31.5	1/T1.1/1; 1/T1.1/3; 1/T1.1/4; 1/T1.2/2; 2/M2.1/1
Develop plans to expand City's recharging infrastructure for electric vehicles.	6/10/16; 8/10/26; 10/10/31.1; 10/10/31.2; 10/10/31.4; 10/10/31.5	1/T1.1/1; 1/T1.1/3; 1/T1.1/4; 1/T1.2/2
Coordinate with METRO on planning for City-wide implementation of electric vehicle recharging.	14/10/45.1; 14/10/45.4; 15/10/50.1	1/T1.1/1; 1/T1.1/4; 2/T2.1/4; 3/T3.1/2;
Purchase additional electric vehicles for Fleetshare.	6/10/16; 8/10/26; 10/10/31.1; 10/10/31.2; 10/10/31.4; 10/10/31.5	1/T1.1/1; 1/T1.1/3; 1/T1.1/4; 1/T1.2/2